

3/6/19

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Chapter No. 302  
19/SS36/R329PS  
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## ***SENATE BILL NO. 2802***

Originated in Senate

Ingham

Secretary

SENATE BILL NO. 2802

AN ACT TO AMEND SECTIONS 61-3-3 AND 61-3-21, MISSISSIPPI CODE OF 1972, TO LIMIT THE AD VALOREM TAX EXEMPTION FOR CONTRACTS, LEASES, AND OTHER ARRANGEMENTS AND STRUCTURES, IMPROVEMENTS AND OTHER FACILITIES ERECTED, INSTALLED, CONSTRUCTED OR LOCATED IN CONNECTION THEREWITH ON AN AIRPORT OR AIR NAVIGATION FACILITY OWNED OR CONTROLLED BY AN AIRPORT AUTHORITY TO AIRPORT-RELATED CONTRACTS, LEASES AND OTHER ARRANGEMENTS AND ALL STRUCTURES, IMPROVEMENTS AND OTHER FACILITIES ERECTED, CONSTRUCTED OR LOCATED IN CONNECTION THEREWITH; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** Section 61-3-3, Mississippi Code of 1972, is amended as follows:

61-3-3. The following words or terms, whenever used or referred to in this chapter, shall have the following respective meanings unless different meanings clearly appear from the context:

(a) "Airport" means any area of land or water which is used, or intended for use, for the landing and taking off of aircraft, and any appurtenant areas which are used, or intended for use, for airport buildings or other airport facilities or rights-of-way, or for other appropriate purposes, including buffer

areas and areas for airport compatible development, together with all buildings and facilities located thereon.

(b) "Airport-related contracts, leases and other arrangements" means any leases, contracts or other arrangements entered into by an authority in accordance with Section 61-3-21 other than any:

(i) Unrelated contracts, leases and other arrangements, as defined in this section; and

(ii) Leases, contracts or other arrangements related primarily to buffer areas or other such areas for airport compatible development and any buildings or facilities located thereon.

( \* \* \*c) "Airport authority" or "authority" means any airport authority created pursuant to the provisions of this chapter.

( \* \* \*d) "Airport hazard" means any structure, object or natural growth, or use of land which obstructs the airspace required for the flight of aircraft in landing or taking off at an airport, or is otherwise hazardous to such landing or taking off of aircraft.

( \* \* \*e) "Air navigation facility" means any facility other than one owned and operated by the United States, used in, available for use in, or designed for use in aid of air navigation, including any structures, mechanisms, lights, beacons, markers, communicating systems, or other instrumentalities, or

devices used or useful as an aid, or constituting an advantage or convenience, to the safe taking off, navigation and landing of aircraft, or the safe and efficient operation or maintenance of an airport, and any combination of any or all of such facilities.

( \* \* \*f) "Bonds" means any bonds, notes, interim certificates, debentures or similar obligations issued by an authority pursuant to this chapter.

( \* \* \*g) "Governing body" means the official or officials authorized by law to exercise ordinance or other lawmaking powers of a municipality.

( \* \* \*h) "Local government" means any local governmental unit as defined in Section 17-13-5.

( \* \* \*i) "Municipal airport authority" or "municipal authority" means a municipal airport authority created pursuant to the provisions of Section 61-3-5 or 61-3-6.

( \* \* \*j) "Municipality" means any county, supervisors district or supervisors districts, or all that portion of the county lying outside the territorial boundaries of any named city, town or village, and a city, town and village of this state or any state-supported institution of higher learning or any public community or junior college.

( \* \* \*k) "Person" means any individual, firm, partnership, corporation, company, association, joint-stock association or body politic, and includes any trustee, receiver, assignee or other similar representative thereof.

( \* \* \*1) "Regional airport authority" or "regional authority" means a regional airport authority created pursuant to the provisions of Section 61-3-7.

(m) "Unrelated contracts, leases and other arrangements" means any lease, contract or other arrangement entered into by the authority in accordance with Section 61-3-21 pursuant to which the current, primary use of the structures, improvements or other facilities erected, installed, constructed or located in connection therewith are substantially unrelated to the support of the following airport-related activities:

(i) The taking off and landing of commercial and private aircraft at the airport or air navigation facility;

(ii) The maintenance or repair of commercial or private aircraft taking off and landing at the airport or air navigation facility;

(iii) The storage, via hanger or otherwise, of commercial or private aircraft taking off and landing at the airport or air navigation facility;

(iv) The shipping or transporting of freight by aircraft at the airport or air navigation facility;

(v) The provision of ground and air transportation services to commercial or private aircraft passengers;

(vi) The supplying of goods, commodities, things, services or facilities primarily:

1. To commercial and private aircraft taking off and landing at the airport or air navigation facility; or

2. Within the airport terminal building to commercial or private aircraft passengers in the process of traveling on such aircraft.

(vii) Any fixed base operator activities providing aviation services at the airport or air navigation facility.

SECTION 2. Section 61-3-21, Mississippi Code of 1972, is amended as follows:

61-3-21. (1) In connection with the operation of an airport or air navigation facility owned or controlled by an authority, the authority may enter into contracts, leases and other arrangements for terms not to exceed fifty (50) years with any persons:

(a) Granting the privilege of using or improving the airport or air navigation facility or any portion or facility thereof or space therein for commercial purposes;

(b) Conferring the privilege of supplying goods, commodities, things, services or facilities at the airport or air navigation facility; and

(c) Making available services to be furnished by the authority or its agents at the airport or air navigation facility.

In each case the authority may establish the terms and conditions and fix the charges, rentals or fees for the privileges or services, which shall be reasonable and uniform for the same

class of privilege or service and which shall be established with due regard to the property and improvements used and the expenses of operation to the authority. In no case shall the public be deprived of its rightful, equal and uniform use of the airport, air navigation facility or portion or facility thereof.

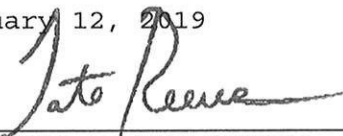
(2) Except as may be limited by the terms and conditions of any grant, loan or agreement authorized by Section 61-3-25, Mississippi Code of 1972, an authority may, by contract, lease or other arrangements, upon a consideration fixed by it, grant to any qualified person for a term not to exceed fifty (50) years, the privilege of operating, as agent of the authority or otherwise, any airport owned or controlled by the authority. However, no person shall be granted any authority to operate an airport other than as a public airport or to enter into any contracts, leases or other arrangements in connection with the operation of the airport which the authority might not have undertaken under subsection (1) of this section.

(3) All airport-related contracts, leases and other arrangements entered into pursuant to this section are deemed to serve a public and governmental purpose as a matter of public necessity; therefore, all \* \* \* airport-related contracts, leases, and other arrangements and all structures, improvements and other facilities erected, installed, constructed or located in connection therewith on an airport or air navigation facility owned or controlled by an authority, or any portion of facility

thereof or space therein, shall be free and exempt from all state, county and municipal ad valorem taxes on real property and personal property for so long as may otherwise be lawful, and the charges, rentals and fees received by an authority in connection with \* \* \* airport-related contracts, leases and other arrangements shall be deemed to be in lieu of said taxes.

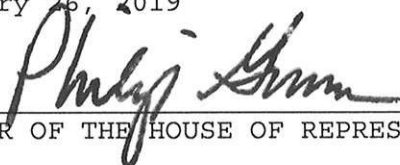
SECTION 3. This act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE  
February 12, 2019



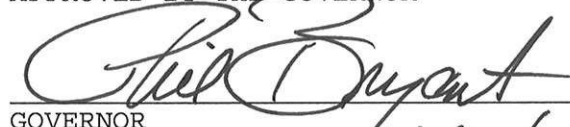
PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES  
February 26, 2019



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

March 6, 2019

11:15 AM